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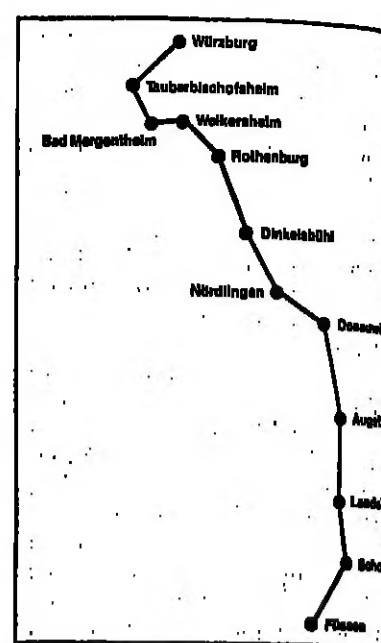
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- 1 The Tauber Valley
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- 3 Augsburg
- 4 Würzburg

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Nato widens its horizons

Bonn summit Nato reaffirmed its deterrent concept of preventing war and called on the Soviet Union to join the West in its bid for constructive relations, disarmament and peace. Nato secretary-general Joseph Luns said the Bonn declaration and its message for Peace in Freedom could give transatlantic partnership a fresh boost and a new era in East-West ties. The Nato countries also outlined their views on arms control and undertook in particular to reinforce their conventional defence capa-

most important outcome of the Bonn summit was the decision to pay practical attention to international security. It was the first time Nato heads of state had done this. They were responding to Washington's call for a global approach to security.

It was a logical step, it was said, that took bitter political experience. The Soviet Union is a world power and its dramatic increase in military capacity can lay claim to influence over the world by military, political and economic means.

It is part of the logic of pure detente to limit pact activity to a defensive minimum and to say real tension in the world is divisible.

This line of argument, aimed at dividing the risk (with America shouldering the risk and the Europeans being left in peace and quiet), has grown threadbare.

So the Nato summit arrived at its decisions, but it remains to be seen whether it will prove to have been a summit of harmony and determination.

The atmosphere was tension-laden, given the harbingers of several wars and the potential for domestic unrest in the Federal Republic of Germany.

In his speech to the Bundestag Mr Reagan said he would explain to Americans the US commitment in Europe if European politicians were to explain to their peoples America's role.

This was an unmistakable warning, a sentence with a conditional clause: the American conditional.

Herbert Kremp
(Die Welt, 11 June 1982)

Summit swaps Middle East

BEC council of foreign ministers met in Bonn to discuss the outbreak of fighting in the Middle East. They were in Bonn for the summit.

It was not just the threat of war again in the Middle East but the vital European and thus German — interests at stake.

The Middle East threatens European supplies much more than the Middle East itself.

The UN Security Council veto on the Israeli resolution cannot have surprised Europe, given the pressure on Washington in the Middle East.

The veto, by which the Reagan administration openly endorsed an act of aggression, was a clear signal.

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■ ENERGY

Classical touch to Greek wind power station

Aeolus, the Ancient Greek god of the winds, has been harnessed to generate electric power on Kythnos, an island in the Aegean.

The island's new complex of five wind generators with a combined capacity of 100 kilowatts has been dubbed an Aeolian park.

But the priests officiating at the opening ceremony were Greek Orthodox, and the speechmaking was in modern Greek.

It may not be much, 100 kilowatts, but it is enough to meet about a quarter of the island's power requirements, and the planners are confident this facility will be the first of many.

After a year or so of trials the design concept will, they hope, prove its worth and be put to use on other windswept islands in the Aegean and elsewhere.

The windmill design has many advantages. It doesn't cause environmental pollution, for instance, which is a point in its favour both local people and tourists will appreciate.

Besides, wind is free, whereas oil, the main alternative, uses most of Greece's foreign exchange earnings.

The Kythnos complex will save 80,000 litres of diesel oil, or about DM100,000 a year, but it is an expensive experiment nonetheless.

Investment costs for an oil- or coal-fired power station are said to be about DM900 per kilowatt by the Greek elec-

tricity board. Wind power costs DM5,000 per kilowatt to install.

But the project engineers are confident the Kythnos experiment will recoup costs in about eight years. They say the equipment has a life-span of 20 years and maintenance costs will be negligible.

Time will tell. The park, a term chosen doubtless because it sounds so environmentally irreproachable, is still an experiment.

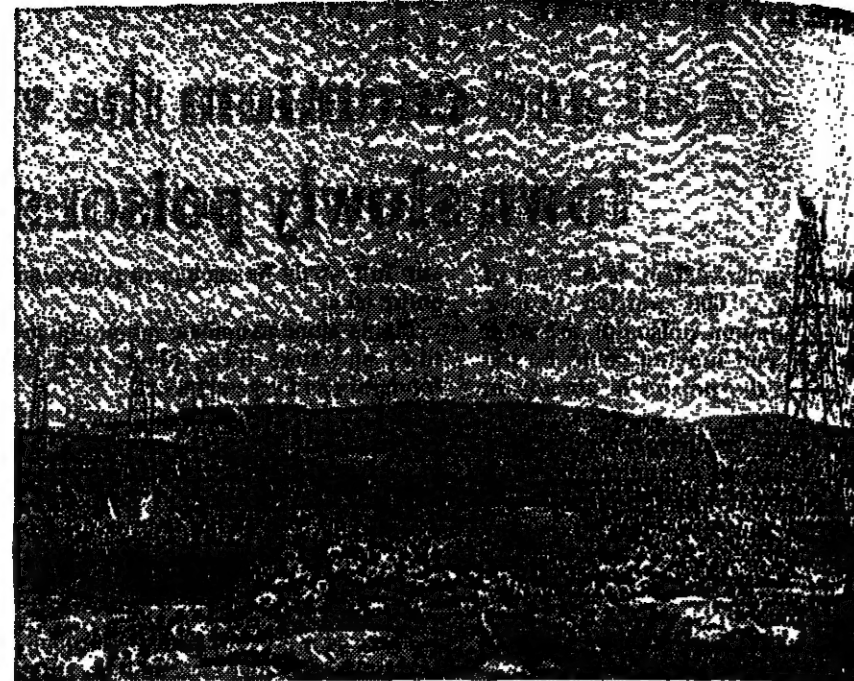
But the windmills had been generating power for two months by the time the Minister, Mr Kouloumbis, officially opened the installation, and its manufacturers were fully satisfied with progress.

Kythnos, population about 1,500, is less than two hours away from Piraeus by hydrofoil. The park is in the north-east of the island, a stone's throw from the village.

It is a picturesque village of whitewashed houses and narrow streets, and the five acres of hillside by the bay are well patronised by Aeolus.

One of the workmen who helped equip the power station last February says the men often had to hang on the rock for dear life to avoid being blown away by the wind.

Even at the opening ceremony, held on the first weekend in June, a stiff breeze kept shirts and jackets fluttering and the speakers' hair waving.



German-built wind power-generators on the Greek island of Kythnos.

The five windmill generators spread over the site are linked underground. Each is powered by twin rotor blades 11.60 metres in diameter mounted on metal scaffolding 10 metres tall.

A small, side-wheel ensures that the blades always face in the right wind direction. The best blade angle is worked out electronically.

So is power consumption, and an auxiliary diesel genset is switched on electronically whenever wind power is not enough to meet demand.

The project was launched with German aid. The Bonn Research and Technology Ministry invested roughly DM1.1bn in it by the terms of a 1978 scientific and technological cooperation agreement.

Greece invested roughly the same amount again.

German expenditure included re-

search and development. The Aemra transformer is manufactured by MAN, a German company. It costs DM800,000 or DM400,000 for five, excluding foundations.

MAN have exported generators to a wide range of countries, including Australia and New Zealand, Korea, India, Indonesia, Mexico and Holland.

There are two units in Germany, one near Kaiserslautern, the other on the island of Heligoland.

But all previous units work slightly differently. The combination is what is new about the Kythnos complex. It makes it possible to offset differences in wind speed and direction by changing the angle of the blades.

Udo Wienen

(Frankfurter Allgemeine Zeitung für Deutschland, 7 June 1982)

'Big brother' pressures alleged in nuclear reactor probe

A working party commissioned to investigate the safety of a proposed fast-breeder reactor says its efforts to recruit staff were hampered by companies involved in the reactor project.

The leader, Jochen Benecke, of the Max Planck Institute of Physics and Astrophysics in Munich, said in an interim report that the companies, Interatom and Messerschmitt-Bölkow-Blohm, had been worried in case members of their staff had backed up any criticism.

Three MBB employees are in the 26-strong working party. It had tried to enlist the support of a New York University professor but was told that Interatom had just renewed his contract as consultant and he would prefer not to help.

Benecke felt that the companies were not free. Big Brother Siemens and its subsidiaries were watching them.

In its report, the Bundestag commission of inquiry into atomic energy policy, the working party said that the reactor, SNR 300, was too dangerous to go ahead with.

Supporters of the project, led by Adolf Birkhofer of the Reactor Safety Association, Cologne, and Harald B. Schäfer, the SPD chairman of the Bundestag commission, feel it presents no safety problems that cannot be solved.

Benecke says he has tried in the report to make it clear how little is known

about what shape emergencies might take.

Tests needed carrying out to determine the risk factor he felt the breeder reactor must unquestionably be classified as at the present stage of research.

"In view of its potential for damage, the SNR 300,"

If policymakers felt the breeder reactor was indispensable they ought to seriously try and make it safe and provide scientific proof that it was.

He said it was not right to expect individual critics to unearth the mistakes and shortcomings of institutionalised research. It should be the other way round; the constructors should have to prove their point.

The Munich physicist was strongly critical of the policy pursued by Karlsruhe nuclear research centre. Quoting results of sound scientific work seldom made public, he said.

Any doubts they expressed were put in written out of published work and summarising their findings.

Herr Benecke's research group is financed by the Bonn Research Ministry but he had found it hard to recruit experts working in the nuclear power industry.

His group were not interested in checking the figures submitted during the SNR 300 project.

Continued on page 14

■ THE ARTS

A better style: wine and junk food instead of water

Cool and chic was the hallmark of this year's Munich International Drama Festival. It was a far cry from the demure of a year ago.

Theatre-goers this time ate either junk food or Schwetzingen asparagus and drank much more wine than water. Instead of rags and tatters they chose to be well-dressed, with the emphasis on style.

There was an aura of New Wave about what an aesthetically pure and decidedly male-orientated festival rang from Werner Schroeter's prima donna to Genet's pairs of young boys and the pleasing rituals of Japanese dance groups.

Munich is no longer a drama festival for the family, a comforting middle-class event. The new public make a point of being connoisseurs and critics.

Audiences are more given to showing displeasure and less keen to applaud anything and everything, which is surely not a change for the worse.

There were four features of this year's festival: German theatre, Japan, international drama and what was billed as performance.

The Japanese were the best by far, starting with the Sankai Juku company from Tokyo. Dancers wearing white make-up performed ritual dance, bowing, scraping, cradling and so on, like aliens moving toward and away in the glaring spotlights.

Everything was strictly delineated

the art revolution that was cubism took place two generations ago. Artists of these two generations have come to terms with the results in a variety of ways.

Next to nothing has since happened in modern art without being influenced by cubism in one way or another.

The departure from natural models, independence of form and colour, abandonment of central perspective and abolition of classical laws of painting are continued hallmarks of what became cubism.

So is the invention of simultaneity and of a new, logical and intellectual pattern of spatial order, in a word, the new autonomy of art.

These continue to be the achievements of what, if Braque and Picasso are to be believed, was the unwanted revolution and unintentional invention of cubism.

Cubism really is an inadequate and misleading term for the phenomenon. Cubism became famous and expensive, but it was never really popular. Its immediate social impact was nil from the outset. The public found it too intellectual and demanding.

Yes, and this may well be why, there has been no end to the flood of publications on cubism and the cubists. The catalogue of the Cologne exhibition adds 100 pages of expertise on the subject.

Swiss writers deal critically and at length with earlier interpretations and offer a fresh look at the sources of cubism without coming up with anything substantially new.

Kahnweiler, an astute observer, was already aware of its direct descent from Cézanne.

Marianne Tauber does, however, make an interesting point in referring to the century theories of the perception

and carefully rehearsed. Even sexual intercourse, acted out on the stage, seemed as though it was being performed by marble statues.

The chill atmosphere was interrupted only by strange music, it too sounding unspeakably distant.

Then came the solo by Kazuo Ohno, 76. He was a fragile old man with big, expressive eyes. He tiptoed on in women's clothes but was not in the least embarrassing.

If anything he cut a touching figure in the over-sweet spiritualisation of his performance. What a dream play of fantasy it was!

To the rhythm of the sweeping music an old man "invented" one new figure after another as he went along, striding, tiptoeing.

First he was a happy young girl, then an elderly lady resigned to her fate. It was magic, and his audience was amazed and delighted.

George Tabori, who with his company once beat a hasty retreat from Munich, returned to the Bavarian capital with his *The Voyeur*, written in the late 60s.

A dirty world calls for dirty art, his motto runs, and the scene is Manhattan, where a young negro has been murdered.

One cliché after another mounted up, to emphasise the general validity of the problems, which is why Tabori had his

company speak various dialects, but it did little to relieve the boredom.

Tabori's company are increasingly falling prey to psychoanalytical self-renunciation, self-contained to an extent that no longer interests outsiders.

The only feature of the evening's performance that stuck in one's memory was the unaesthetic sight of actors throwing raw eggs at each other.

As they pleasurably rubbed themselves in gooey egg white and yolk all that was left was the sight of them revelling in an orgy of defecating themselves.

Most of the audience left the tent in disgust.

Werner Schroeter's production of *Don Carlos* did little to measure up to theatrical standards either. It was a teased-out combination of classical drama and failed improvisation.

The highlight of the performance was when everyone cried *Scheisse* (shit) and the entire company made a quick stage exit, as well it might, to the accompaniment of loud jeers from the stalls.

Andras Fricsay's *Red Ryder* was much more compelling. It too was strongly anti-American, but at least entertaining.

The Italians, who deserved unstinting praise, performed a charming, true-to-style *commedia dell'arte*. It was much more satisfactory.

Hans Georg Berger, the festival manager, gave notice that it was not going to be a festival of comfortable confirmation, of easy-going recognition.

Where the wind blew colder, he wrote, the theatre needed the courage to show drama that was different and disconcerting.

That was all well and good, but did disconcerting need to be below standard?

Rose Marie Borngässer
(Die Welt, 5 June 1982)

Panel in dog box over festival choice

The German language choices for this year's Berlin Theatre Festival are not quite as classical and staid as a glance at the authors might indicate.

But the absence of contemporary drama, of anything avant garde, of small theatres and young directors, has caused dissatisfaction with the selection panel.

The programme includes the company of George Tabori whose exemplary work has been so stubbornly ignored by the critics. At least the festival organisers saw fit to reward his good work by commissioning a production.

He did the premiere staging of *Der Voyeur*, which was also written by him.

Though he did not achieve the same foreboding and unforgettable forcefulness as in his last stage production with Beckett scenes and Enzensberger's *Untergang der Titanic* (Sinking of the Titanic), he was again convincing through his intensive ensemble work and the general validity of the theme.

The piece revolves around liberal whites and embittered blacks in the Manhattan of the 1960s. The poor blacks show little understanding for the sorrows of a Jewish intellectual in Hitler's concentration camp.

Rudiments of understanding are suffocated by the ignorance of social norms. Stanley Walden's music almost turns the piece into black musical comedy.

The framework programme has provided some of the invited theatres with an opportunity to stage not only what was picked by the jury but also productions of their own choice. Bochum, for instance, has used this opportunity to present Heiner Müller's *Herzstück* (Heart Piece).

In the actual list, Berlin is represented fourfold, including a Beckett production by the two actors Peter Fritz and Otto Sander who are also giving guest performances at the *Schaubühne*. The *Schaubühne* itself has not been included by the jury which put the *Freie Volksbühne* with Gröber's and Minetti's *Faust* on the programme.

The fact that, after a long break, state theatres are doubly represented is certainly not general manager Boy Gobert's merit.

The two Hans Neuenfels evenings — Musil's *Schwärmer* (Dreamer) and Kleist's *Penthesilea* — stand out in the disjointed and mediocre repertoire.

Of the six West German productions, all except *Nachlass* (Night Asylum) — directed by Jürgen Gosch of the DDR — were able to come to Berlin.

Tasso by Ernst Wendt is in keeping with the general trend whereby — after a period of individualistic theatre — patient sticking to the book is coming into its own again.

The two contributions by the Bochum *Schauspielhaus* are entirely unconventional. The GDR director team Karge/Langhoff's *Kirschgarten* (The Cherry Orchard) with its vibrant, comical and in parts grotesque staging has confused many of those in whose ears Noelle's melancholy notes still linger and who would have expected more subdued tones even from a fresher and less melancholy Chekhov interpretation.

Rainer Höynck

(Handelsblatt, 21 May 1982)

Lots of words about cubism despite social impact of nil

of form and space ranging from Helmholtz and Wundt to Bergson and William James.

Picasso may well have got to know about James's relief perspective from Gertrude Stein.

So this could possibly turn out to be an untapped source of the cubist practice of startling changes in degree of reality and point of view.

Cubists tended to switch round ele-

ments of form and function, to transpose the convex into the concave and so on.

But other sources could be adduced for many such practices back in art history to Giotto, Uccello, Dürer, Cambrano and Hogarth, for instance, and give rise to just as much speculation.

Such a major exhibition as the Cologne Kunsthalle one is invariably ex-

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Fernand Léger's 'Tugboats', 1918.

(Photo: Catalogue)

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WRITERS

Death of Peter Weiss casts shadow over language academy meeting

The annual spring meeting in Lüneburg of the German Academy of Language and Letters was overshadowed by the death of this year's Büchner Prize laureate, Peter Weiss.

The theme of the meeting, "The Artificiality of Art", might appear somewhat removed from realities. But as it turned out, it proved an explosive and controversial issue dealing with the relationship of art and life — the issue that dominated the works of Peter Weiss.

The heated discussion in Lüneburg was, however, not prompted by the works of Peter Weiss but by Wolfgang Hildesheimer's latest book *Marbot*, the rare case of a biography in which everything except the hero and his family is authentic.

This excellent biography of an art historian in Goethe's world was not intended as a satire, Hildesheimer said in his wry report on the four-year history of the book.

Instead, the fictitious subject of the biography is intended to intensify its realism, for *Marbot* could very well have actually existed in that era.

Interweaving autobiographical material, Hildesheimer's intention was to depict a man who founders on the fact that, lacking artistic creativity of his own, he has to remain a theoretician of art.

Hildesheimer would himself have loved to have become a great artist; and the art interpretations attributed to *Marbot* bear witness to his great understanding of art.

But, has he succeeded in solving the central problem of artist-novels, i.e. to make a fictitious artist credible through his equally fictitious works of art?

Academy President Peter de Men-

delsohn repeatedly pointed to the particular artificiality that marks "a work of art within a work of art."

But does not literature anyway consist of nothing but "invented stories" as Yale Germanist Peter Demetz showed in his review of world literature?

The "courage of pure fiction," he said, is extremely rare and the literary work of art has always been trying to appear "authentic" in what must be described as a "serious game."

To depict "deeds and sorrows" as if one were oneself part of them, Demetz said, was proof of "genuine testimony" even in Homer.

And even in our age writers like Herbert Achternbusch centre their stories around their own "sensitive self-confidence," putting reality and fiction next to each other as equals. But Achternbusch's "stew rhetoric" (Demetz), housed between literature and film, no longer cements such conventional instruments as the "fictitious narrator" of former days. Now, the true author becomes the witness of a "consuming mistrust of the world" and laments: "These are poor times for my imagination!"

Berlin music historian Carl Dahlhaus dealt with the "fictitious 12-tone music" in Thomas Mann's novel *Doctor Faustus*.

Coached by the music theoretician T. W. Adorno, Thomas Mann created the composer Adrian Leverkühn as a symbol of the good and evil of German intellect.

In keeping with Thomas Mann's own precepts, Dahlhaus opposed any interpretation that would strip this novel of the "artificiality of art" and replace this by "reality."

The full-bloodedness of the characters and the exactitude in the description of music are pure fiction, he said. Thomas Mann's novel is no essay, and the author had no intention of showing logical contexts. The dominant factor in the book is the triumph of the "magic of inter-relations."

Schoenberg's 12-tone technique appears in the book in a considerably distorted form. All that interested the author was its "allegorical richness that

marks music realities," as Dahlhaus put it.

The involuntary change-over from extreme rationality to superstition and from freedom to bondage was used by Thomas Mann to depict the "dialectics of the German intellect in the form of a fictitious biography."

According to Dahlhaus, Thomas Mann saw himself as the psychologist of the era, treating "the rest" as a metaphor. *Doctor Faustus* is thus at best a Nietzsche novel and the enraged composer Schoenberg had no reason to feel abused.

Using 19th century artist novels as an example, Hamburg museum director Werner Hofmann elaborated on how an artist can achieve self-realisation within his environment.

Ticklish vote of solidarity for imprisoned Turks

The European writers' meeting in the Hague almost foundered on the wording of the closing communiqué.

The bone of contention was the inclusion in the communiqué of a solidarity declaration with five imprisoned Turkish authors. This raised the issue of Poland.

It was not until the assembled writers agreed on a formula whereby it would not be the total body of the writers present but the International PEN Centre and the West German Writers Association who would back a solidarity declaration for imprisoned writers both in Turkey and in Poland that the communiqué was passed to everybody's relief.

Until then, the smallest common denominator on which the 60 writers from 18 countries had been able to agree was that "they would support all efforts aimed at securing peace through disarmament, regardless of their governments' blessings or otherwise." A rider said that they would "consider it their duty to assist to the best of their ability those persons who were being persecuted for promoting peace."

All this sounds like a bit of generalisation; but it had tangible political effects, as shown by the 15-hour discussion.

The estrangement between art and life has been clearly in evidence since the late 18th century; and the "artificiality of art" is emerging as a threat to existence.

"Anybody who surrenders himself to art must sacrifice himself as person," says a passage in Tieck's works. For the person hopes to be entwined in the "artificiality of art"; this is tantamount to suicide if it cannot fulfill his own expectations.

The breakdown of the "oneness" of art and life in the wake of the modern artist's self-doubt is responsible for the fragmentary character of today's art. But it also enables today's artist to advance into new "zones of creative intensity," Hofmann told the meeting.

The closing session saw the award of the Friedrich Gundolf Prize To Tezuka, the doyen of Japan's Genji novelists, and of the Johann Heinrich Voss Prize to the *Casanova* translator Hans von Sauter.

Wolfgang Schimicke
(Mannheimer Morgen, 3 June 1982)

MEDICINE

'Life's breaking points' key to mental illness

People who don't go out of their minds about certain events have no minds to go out of," Sigmund Freud once quoted a contemporary saying about the causes of schizophrenia.

Today's psychologists no longer attribute mental disorders solely to traumatic experiences. But even so, a branch of medical sociology has for the past 20 years tried to establish the link between life events and psychological or psychosomatic disorders.

Though medicine has long delved into the many consequences of emotional crisis situations, the systematic exploration of such links did not begin until after World War II.

As Professor Johannes Siegrist of Marburg University's Institute of Medical Sociology explains in the magazine *Der Nervenarzt*, life events are events that disrupt a regular routine, requiring a considerable adjustment effort.

This does not apply to all events in equal measure, but primarily to events that are undesirable, unexpected and cannot be influenced by the individual concerned. It also applies to events that lead to unfavourable consequences.

Like the accumulation of various events within a short span of time, life events can impose such a strain as to make it impossible for the individual to cope with them.

It leads to emotional tension, excessive neuro-hormonal and pathophysiological reactions that can promote organic or psychological disorders — especially in conjunction with existing risk factors.

All these life events that impose a strain trigger a "non-specific stress syndrome" which in its turn triggers an adjustment response by the organism.

Life event research has pursued two avenues. On the one hand it has analysed acute stress situations in the wake of events concerning both large groups of people (such as war or a spell as a concentration camp) and the regular events happening to individuals such as the death of a close relative. On

the other hand, this type of research deals with life events on the periphery of certain psychological or psychosomatic disorders.

Research methods have been improved continuously. While the originalists simply went by a checklist of life events, regarding the strains imposed by the various events as equal, subsequent efforts tried to evaluate the different types of strain in terms of severity.

It has now been established that the gravest danger potential rests with events that sever intimate ties.

Acute stress situations are particularly severe in cases of war, crises, revolutions and accidents affecting entire population groups. Such life events can lead to bizarre psychological disorders.

Professor B. Cooper of the Central Institute for Mental Health, Mannheim, has found that the victims of collective crisis situations react in three overlapping phases (*Der Nervenarzt*).

After the first confrontation, they remain stunned and paralysed for up to an hour; it is not until the second (withdrawal) phase that they mobilise their psychological defences. The post-traumatic phase is marked by the emotional processing of the event to the point of normalisation.

But should this adjustment process fail, long-lasting disorders can occur, among them depression, exhaustion, insomnia and inability to concentrate.

Münich psychiatrist Professor P. Matussek has vividly described the delayed psychosomatic disorders of Nazi concentration camp inmates. Even many years after the brutality of incarceration, these people still suffer from phobias, depressions, nightmares and psychological and psychosomatic disorders.

Dramatic medical and biological changes can also affect the mental health of the individual. Thus, for instance, certain types of surgery — such as a cataract operation or open heart surgery or the removal of the uterus — can lead to psychological disorders.

Mothers are particularly endangered in the first three months after delivery, when they frequently suffer psychological or neurotic disorders.

It has been found that there is a higher incidence of traumatic life events

in the lives of acute schizophrenics than in those of healthy persons.

Life events involving loss or disappointment are frequently followed by depression. But not only the mind, the body as well is affected by such events.

It is quite possible that various life events increase the risk of pregnancy complications or cancer.

In the first four years following the loss of the spouse, widowed people show an above-average death rate from what can only be called "a broken heart" which is clinically diagnosed as cardiovascular disease or infection.

Professor Siegrist has proved that various social and occupational strains increase the risk of coronary disorders (*psychosozial*).

Life event research has so far been unable to explain why some people respond to certain events by coming down with severe disorders while others, who have experienced a similar situation, emerge unscathed or indeed stronger.

To close this gap, the researchers now take additional factors into account that might either alleviate or intensify the effects of life events.

It appears that certain character traits promote vulnerability. Some people seem to have acquired the ability (be it genetically or through experience) to mobilise various mechanisms to enable them to cope with difficulties.

According to Beggina Orendl of Berne University, survival strategies can be either offensive (by attempting to change the situation that has triggered the stress) or defensive (by suppressing or re-assessing the unpleasant situation). In the end, the victim finds himself helpless in his dilemma (*psychosozial*).

Behavioural researchers at Chicago University have found out that persons with an optimistic drive to tackle distressing life events are much more capable of avoiding harmful consequences than those who passively accept their lot (*Journal of Health and Behaviour*).

Lately, social support has been receiving more and more attention from life event researchers. Socially well integrated people with a discussion partner whom they can trust and to whom they can go for help rarely suffer from psychological or physical disorders in the wake of traumatic events.

This makes it obvious that social support can amount to more than just the trivial formula: "Be nice to each other."

Rolf Degen

(Frankfurter Allgemeine Zeitung für Deutschland, 26 May 1982)

Nuclear photos can predict heart attacks

German doctors have won a prize for a teaching film showing how heart attacks can be predicted by the use of nuclear medicine.

The film which won the award from 82 other films in a Salzburg competition, was produced by a team at the Jülich nuclear research centre.

According to Professor L. E. Feinendegen, who has been described as the spiritual father of the film, the entire German population can now be given a checkup using the new method.

He says that it now can do for heart disease what mass X-rays once did for tuberculosis. Not only was it possible, but it should be done.

The method has been adopted in America, he said, and is being used in four German hospitals in addition to the Jülich centre.

It involves a 90-second checkup. Radioactive fatty acid is injected into the patient. Impulses are emitted and picked up and shown up on a monitor screen.

What happens is shown in the film. The heart muscle needs fatty acids to get the energy to function.

The radiation shows how much of the injected fatty acids are consumed and where.

Doctors can see where heart tissue is healthy and where it is not.

Advantages of the method are: it is quick, it is cheap, it can be used on a mass scale, and the amount of radiation involved is less than in a normal X-ray.

While the method was still in its research stage, the Jülich scientists (doctors, biologists, physicists, chemists, electronics engineers and mathematicians) had to produce everything themselves.

Professor Feinendegen pointed to the huge costs due to cardiovascular diseases in countries like the United States. This affects not only the patient but the entire national economy.

There are more than one million people in the Federal Republic of Germany who owe their lives to costly bypass operations.

The film clearly shows how the nuclear chemists succeeded in removing one building block from the fatty acid molecule and replacing it by a low-radiation iodine atom.

This was naturally preceded by long and tedious research work but the results were worth it.

The iodine isotope that has been charged in the cyclotron and made radioactive in no way changes the properties of the fatty acid in the combustion process.

It therefore acts as a "directional transmitter" within a normally functioning system. Moreover, its low half-life period (the reduction of radiation to one half) of about 13 hours imposes no permanent strain on the body and can easily be removed from the blood in the form of iodine.

Direction-finding equipment reacts to the positron radiation, transmitting impulses to a computer monitor, which reliably shows the fatty acid concentrations.

The doctor can determine whether the heart metabolism is normal or weak or excessive or non-existent.

Rolf Jung

(Rheinische Post, 25 May 1982)

Cubism

Continued from page 11

pected to shed new light on the unsolved riddles of cubism.

But one is bound to quote Georges Braque, who said: "There are certain secrets in my work that not even I understand, and I have no intention of trying."

What visitors are shown is more an illustration of the bulky catalogue, albeit an ambitious one, and a number of important related examples.

The 137 exhibits range from Archipenko to Zadkine. They include 40 Picassos, 21 Braques, 16 Gris, 11 Légers and works by Derain, Delaunay, the Villon brothers, Lipchitz and Laurens, Gleizes and Metzinger, to name but a few more important cubists.

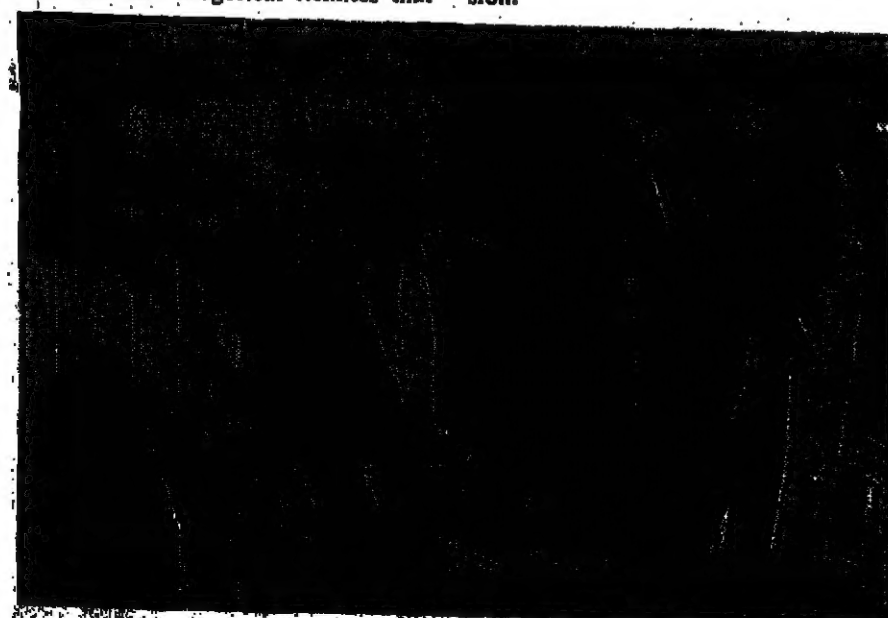
Why the exhibition is supposed to help clarify the debate on the *nouveau sauvages* remains a mystery, however. It might best be said to serve as a contrast.

Above all, it shows that cubism took shape from an intellectual concept. It was art of the intellect, its freedom was disciplined, not arbitrary.

It abhorred arbitrariness and felt elapdash world with colours was a sin against the prevailing spirit. What many saw as deformation was a deliberate bid for form.

En Plunien

(Die Welt, 5 June 1982)



Looking for common ground... from left to right: writers Stefan Heym, Stephan Hermlin (both GDR), Günter Wallat and Bernd Engelmann (both Federal Republic) meeting in The Hague. (Photo: Poly-Press)

Bacteria start to hit back

The range of hospital bacteria that are resistant to antibiotics is widening, Kiel microbiologist Professor Uwe Hermann told the Kiel Congress for Hygiene and Microbiology.

He attributes this to decades of a selective and not always selective use of standard antibiotics.

If it occurs at home, a urethra infection can mostly be cured with run-of-the-mill antibiotics, while a hospital frequently has to use more potent preparations, Professor Ullmann said.

Eighty per cent of pus bacteria in the hospital group found in Kiel are already resistant to penicillin — and this resistance is not only passed on to the same family of cells but also to alien species.

He urged a review of the conditions under which antibiotics are used, and beware of getting carried away.

Harald Kleinschmidt

(Deutsches Allgemeines Sonntagsblatt, 6 June 1982)

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(Deutsches Allgemeines Sonntagsblatt, 6 June 1982)

(Bremer Nachrichten, 28 May 1982)

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The old Romans might have had a point when they coined the phrase *de gustibus non disputandum est* (you cannot argue about taste).

What they meant was the taste of natural products. But what about today's products that pretend to be natural although their taste is derived from chemicals?

Food chemists Eva Kapfelsberger, 26, and Udo Pollmer, 28, think little of the Roman injunction on discussing tastes when it comes to today's foods. Their book *Iss und stirb. Chemie in unserer Nahrung* (Eat and Die. Chemicals in Our Food) is a clear indictment of today's food industry.

"By regularly eating foods that derive their taste and flavour from chemicals we must one day regard their taste as 'natural'."

The authors list a number of genuine natural products which, having been conditioned by the food industry, we now reject as being "unnatural".

For example, until recently, the US canning industry used pure natural sheet-metal tins in canning. But for health reasons it switched to tins with a thin coating of synthetic resin on the inside.

As a result, some of the food thus canned, like pineapples, lost the metallic taste previously imparted by the tin.

Market researchers found that the customers refused to buy the new non-metallic pineapples because "they don't taste like a pineapple should."

The canners responded promptly by growing a type of pineapple that has a built-in metallic taste.

The whole thing is no more and no less than a perversion of nature.

The book is full of similar examples, some of them stomach-turning.

FOOD

Recipe for a tasty death: just keep on eating

It is the merit of the Klepenheuer and Witsch publishing house, Cologne, to have once again taken the bull by the horns without regard for possible legal action by various government authorities.

The publishers have for some years been tracking down polluters and other ecology culprits.

Their small series of publications, all of which are based on thorough research, was ushered in in 1978 with the alarming book *Sevoso ist überall* (Sevoso is Everywhere) by researchers Egmont R. Koch and Fritz Vahrenholt.

The two authors continued their sleuthing with the book *Im Ernstfall hilflos? Katastrophenschutz bei Atom- und Chemieunfällen* (Helpless When the Crunch Comes?) published in 1980.

In 1981, Klepenheuer and Witsch continued this series with their sensational report on medicine and pharmaceuticals entitled *Gesunde Geschäfte* (A Healthy Business). This book was a joint effort by four authors.

The book should have triggered far-reaching consequences and should have revolutionised the pharmaceutical market.

But once the dust settled and the companies concerned presented their rebuttals it was back to business as usual.

Only recently, journalist Carmen

Thomas publicly raised the question as to why the Swiss Army can manage on a range of 100 pharmaceuticals while the Bundeswehr needs 300 and the German pharmaceuticals market as a whole consists of 74,000 different preparations.

Klepenheuer and Witsch have now published the fourth book of the series and they are still unafraid. But then, they also have Heinrich Böll as their most prominent house author and some of his courage seems to have rubbed off.

The latest of the series is the food report *Iss und stirb*. Note that the title is "eat and die" rather than "eat or die," which would at least leave an option.

The aim is to uncover the practices of a mass industry that has not only influenced our eating habits but also changed our natural taste buds.

Our natural environment must be viewed with increasing scepticism because our old natural criteria such as colour, appearance, taste and moisture now come from a test tube rather than from mother nature.

Sausages, which should in any event be regarded with a great deal of suspicion, are now enriched with all sorts of substances such as glucose, starch syrup and other additives that do not belong in a sausage.

The purpose of these additives is not only to enhance the appearance but also to save on what should be the main substance of any sausage: meat.

Glucanodelta lation, a "maturing agent" is particularly popular with German sausage manufacturers — so much so that they used 12,000 tons of it in 1974 alone.

Though these additives are harmless if consumed in small doses, they in no way enhance the quality of the product.

The authors cite the report of a food chemist to the effect that "the industry adds excessive quantities of sugar to achieve the same amount (in terms of weight) of the finished product with the minimum possible quantity of meat. Unfortunately, such purely commercial considerations have a more than negative effect."

Even more alarming are the charges levelled by the authors at the official food control authorities: "When the hormone scandal and the losses sustained by business as a result of it peaked because the public refused to

buy contaminated meat, a state secretary at the Health Ministry, Professor Wolters, came up with a threat. He said that his Ministry was considering no longer informing the public in case of similar scandals."

In their preface, the authors say that they plan to publish further books on food. For the sake of accuracy, they say, their present book deals only with the most problematic types of food, i.e. animal-based products.

The only practical advice the authors can give consumers is to steer clear of supermarkets and shop in small family shops or in stores specialising in natural foods.

They recommend buying in shops where food is prepared and packaged in front of the customer.

But this is a costly bit of advice, quite apart from the fact that these neighbourhood shops have pretty much disappeared from our big cities.

What makes the advice so important, however, is that we have inadequate provisions on food adulteration.

The food industry disregards even the most basic principles of food hygiene.

The fact is that "the present set-up of German research is splendidly geared

Eva Kapfelsberger and Udo Pollmer: *Iss und stirb, Chemie in unserer Nahrung*, published by Klepenheuer und Witsch, Cologne; pp. 320; DM18.80.

to channelling ever new chemical substances into the food we eat."

This statement was made in 1956 and has been borne out subsequently.

In any event, the ratio of additives growing all the time. Most of these substances make it possible to do away with tried and proven processes such as the cold-smoking of sausages.

In the final pages of their book, Eva Kapfelsberger and Udo Pollmer present a 12-point list of demands. What makes this so frightening is that these demands should never have had to be raised. They should have been taken for granted and the average consumer would have considered them met long ago. But from it.

A comment by the Bonn Health Ministry speaks for itself: "A tolerable limit (in terms of public health) maximum limit for cadmium in pork kidneys would have to be so low as to preclude selling this product at all."

The point is that the consumer cannot eat his food without giving it another thought. He must therefore be on his guard. One course of action is to report to the authors any known side-effects from chemicals in food. The authors make a point of giving their address in the foreword.

Rupert Neudeck
(Deutsches Allgemeines Sonntagsblatt, 30 May 1982)

Nuclear probe

Continued from page 10

planning procedures. They merely wondered whether estimates of the effect of a plane crash were based on the right mathematical assumptions.

Their interim report contains references to a comprehensive study made by Richard E. Webb, a US critic of the breeder reactor.

Webb concludes that nearly 100-per cent release of the enormous radioactive inventory of both breeder and con-

ventional reactors cannot be ruled out as the worst possibility.

If this were to happen, areas ranging in size from several Länder to all Europe, or hundreds of thousands of square miles, would be affected.

Contrary to the Commission of Inquiry's intentions, the two groups of experts, the supporters and the critics of this fast breeder programme, have yet to meet and compare notes.

They were to have done so and drawn up a joint report outlining both views shared and differences of opinion.

(Süddeutsche Zeitung, 4 June 1982)

CRIME

The man who keeps an eye on the micro-chip that keeps an eye on you

Jan-Peter Bull's is definitely not a name to conjure with at the Bundeskriminalamt, or Federal CID, in Wiesbaden.

As Bonn's commissioner for the prevention of data abuse he is a thorn in the flesh of criminal records officers.

He keeps up a constant stream of complaints about the facts the police and many other authorities unnecessarily computerise.

Even Herr Terstegen, the Bundeskriminalamt's conciliatory Press spokesman, is unable to resist a telling joke at Professor Bull's expense.

"Herr Bull's complaints?" he asks. "Well, you know, I'm not even sure he would allow me to note his phone number in my notebook."

To be fair, the Bundeskriminalamt has millions of facts on file, so more is at stake than someone's pocket book. Besides, access to the BKA computer is a security problem.

Professor Bull and his counterparts at state level have taken a particularly critical look at the Bundeskriminalamt's criminal records.

As a result, the BKA and its up-to-date computerised mine of information have been given more publicity than to their liking.

Professor Bull's latest data protection report, his fourth, has even prompted the Interior Minister Gerhart Baum to speak out in defence of the police intelligence agencies.

Enormous effort

Herr Baum said the report failed adequately to mention what enormous effort was put into attempt to comply with Professor Bull's desire to ensure that facts on computer file were neither lost unnecessarily nor divulged to unauthorised persons.

Professor Bull does not feel his job is a reward for effort. "My problem," he says, "is that I am not allowed to mention specific instances of abuse in public."

"There are files that contain entries on children and old people who have a business being in criminal records. It could prove it if only we were allowed to do so."

The basic problem both with police computers and with data systems kept by intelligence agencies is that once facts on file it's almost impossible to delete them.

The police and intelligence agencies have an insatiable thirst for knowledge about us all. Even the police admit that their entries badly need deleting, but they don't seem to find the time.

Staff shortages are put forward as a reason. Special staff would need to be recruited to go through files and delete unnecessary information.

Even enough the computer programme present problems. By no means all are arranged so as to ensure that facts are either automatically deleted or pre-empted for deletion after a specified period of time.

This is certainly true of PIOS, short for Personen, Institutionen, Objekte und Daten. It is a special data bank kept by the BKA to help combat terrorism.



It includes an enormous number of unevaluated data, such as lists of people suspected at some stage of being connected with the urban guerrilla scene but only suspected and in no way substantiated.

Professor Bull is particularly unhappy about self-perpetuating files kept on people who just happened to be around somewhere when observation was in progress.

A file is opened on the strength of the slightest possibility of suspicion and gradually grows into reams of paper based on nothing in particular.

Observation has been kept up, with the result that some unfortunate individual is felt to be a major terrorist suspect merely because he once sat in the same railway compartment as a genuine offender.

In 18 months, he says, the number of terrorist contacts on whom files are kept has increased by more than half. Yet this was after regulations were revised to keep observation to a minimum.

Professor Bull admits that the BKA is not solely to blame. Most of its facts are supplied by the Länder.

It is so easy to feed a computer with countless facts that at times it appears simpler to maintain a steady input than to check beforehand whether the facts are worth noting.

A new central file on breaches of the peace, meaning demonstrators with a predilection for violence, has several times been revised, then scrapped, and is now kept to exact specifications Professor Bull feels are tolerable.

Spiros Similtis, data protection commissioner in Hesse, still has misgivings about this file because an entry is made whenever court proceedings are started against demonstrators or squatters.

But what if proceedings are dropped, he asks. Is there any guarantee the entry will be deleted? The public prosecutor

seldom notifies the police when cases are scrapped.

According to the latest Interior Ministry regulations the police must, as a rule, notify member of the public of any facts filed on them.

But the Data Protection Act merely says that the authorities may do so if they see fit. As a rule the police have tended to be secretive about the facts they file.

Members of the public have virtually no chance of ever finding out what the intelligence agencies have on file about them.

They may apply for details but if the agency refuses to oblige all they can then do is apply to the data protection commissioner for help.

That isn't much help because he is not entitled to divulge specific information. All he can say is something general, such as: "Your file does not indicate a breach of the law."

But he can ask for a print-out and lodge a complaint if he feels the entry is nonsense or unwarranted.

"I wish more people would complain to me," Professor Bull says. "But enough do for us to maintain a check. We have unearthed very important facts on the strength of individual enquiries."

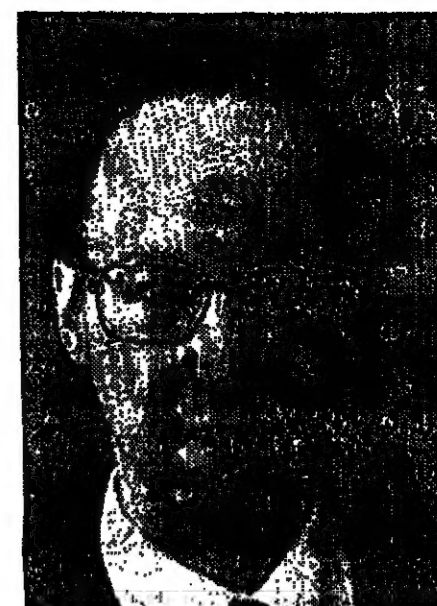
Employer checks

There seems, for instance, to be a widespread habit of buzzing a computer to see whether it has an entry on applicants for public service jobs.

This is done at an early stage before they even learn they have been screened and naturally gives them no chance to explain, always assuming there is any reason why they should.

There are so many old facts on file that ought by rights to have been long since deleted and computer entries tend to be couched in such an ominous version of shorthand that the consequences may be serious.

"There are regulations requiring files to be retrieved," Professor Bull says,



Hans-Peter Bull... seeks more complaints. (Photo: Sven Simon)

"but it isn't always done. As a result very, very shaky suppositions are at times relayed as fact."

He will not rule out the possibility that applicants have been passed over merely because their names are on file. "The trouble with Jumbo files is that abbreviations are inevitable."

So does this mean the go-ahead for a computerised state that has us all on file? Does it mean the only way to escape attention is to be so conformist that no-one notices you even exist?

Professor Bull still lives in hope. He believes files will inevitably be cut down to size, with even the security authorities keen to keep facts on file down to a minimum.

"The PIOS files, for instance, are in practice no longer as useful as they were intended to be because they are full to overflowing."

They are too full of superfluous information about people who have no business being in police files in the first place but whose presence helps to make it more difficult to track down the real suspects.

But is this bound to lead to greater restraint in filing? Not necessarily. One department at the BKA has been caught napping by the data protection commissioner's staff.

One set of files was found to have been agreeably reduced in size, but a later check revealed that the information deleted had been transferred to a new set of files under a different heading.

Christine Becker

(Deutsches Allgemeines Sonntagsblatt, 30 May 1982)

New hard-line approach to the software crook

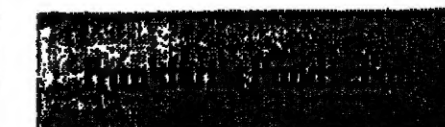
New categories of white-collar crime, especially computer offences, are to be put on the statute book in a Bonn bid to plug legal loopholes.

Presenting the Bill as approved by the Bonn Cabinet, Justice Minister Jürgen Schmude said white-collar crime should not be admired for ingenuity.

He regretted that when people referred to the decline in respect for the law they usually mentioned squatting and demonstrations and seldom white-collar offences.

Yet white-collar crime wrought so much damage to society that something must be done about it.

In cash terms the damage caused was on the decline, from DM3.5bn in 1978 to DM2.8bn in 1980, but these figures



did not include cases that had gone undetected. The true figure was much higher.

Two new statutory offences, computer fraud and falsification of computer data, are to be introduced.

They will apply to computerised bank data, civil registry data and central registries such as the driver and vehicle licensing centre in Flensburg.

Neither offence can be prosecuted at present because hoodwinking machines is no more indictable than a forgery that caused no material damage.

But this should change soon. The Bill provides for prison sentences of up to 10 years.

It will also entitle the public prosecutor to intervene before damage has been done in cases where an attempt is made to mislead potential investors with inaccurate information.

Publishing inaccurate information in investment prospectuses will be an indictable offence, as will failure to mention relevant information that might discourage a potential investor.

The regulations governing encouragement to speculate on stock or other exchanges are likewise to be beefed up.

Employers who defraud their staff by not paying social security or savings schemes will be liable to up to five years' imprisonment.

Herr Schmude recalled that white-collar crime had only found its way into the statute book over the past 10 years.

Wolfgang Rüdell

(Frankfurter Rundschau, 3 June 1982)

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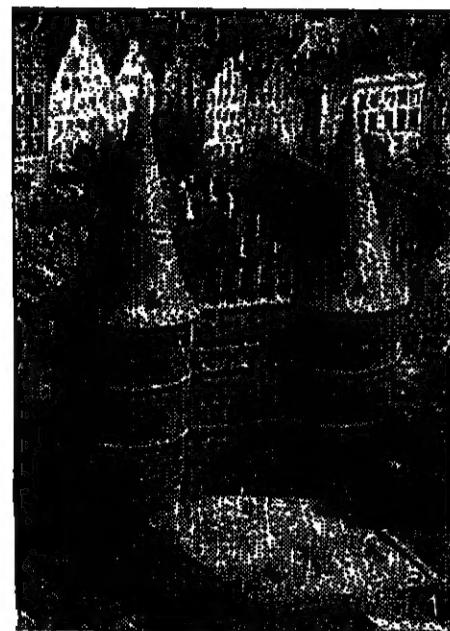
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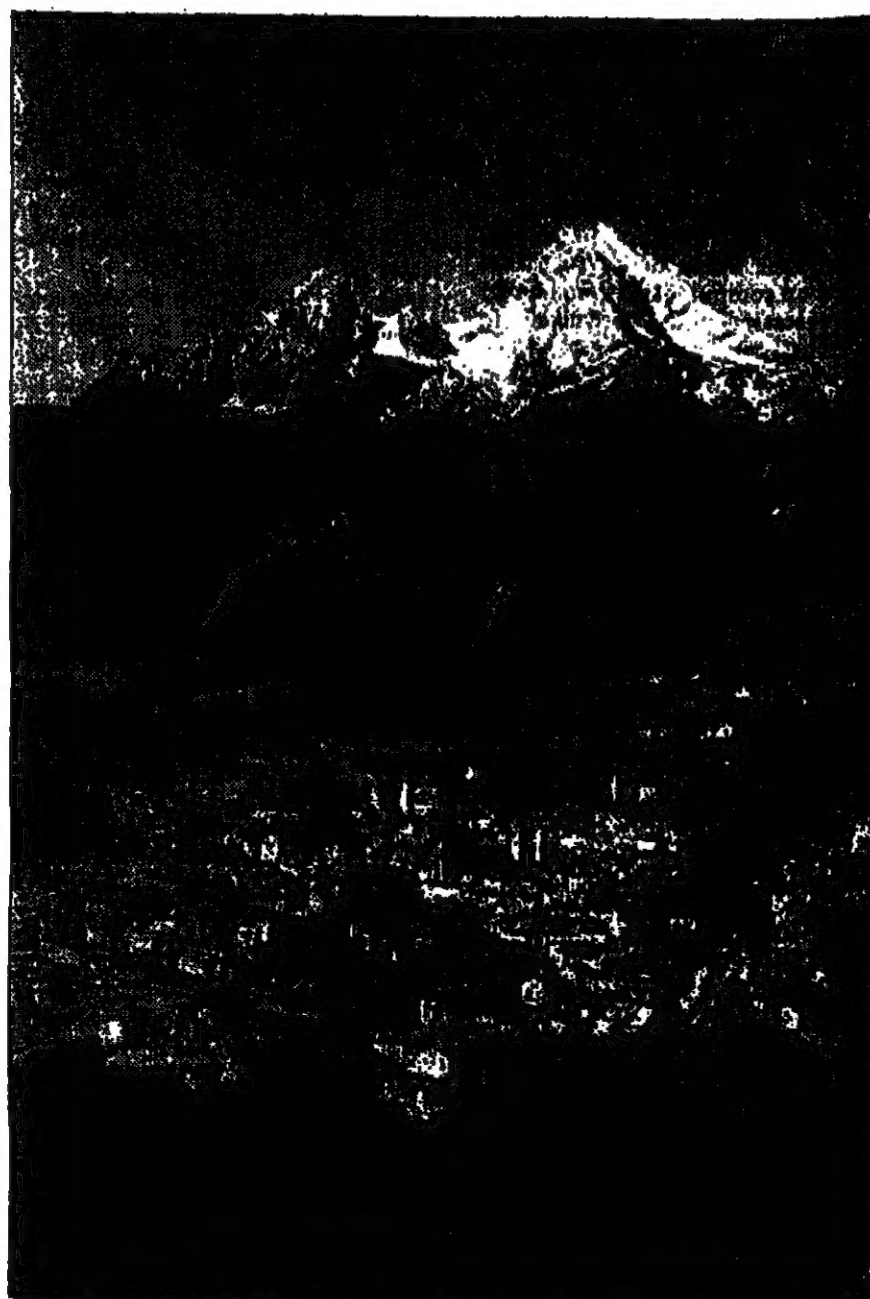
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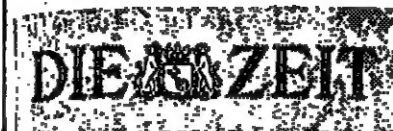


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POLITICS

Ambivalent emotions over Reagan visit to Germany



Donald Reagan will be given a heartfelt welcome to the Federal Republic of Germany, but he will also encounter protest.

Views differ on the reasons for protest. Some call it pacifism, others neutralism. Some call it idealistic communism, others paid Sovietism.

Yet others see it as a combination, something of everything, a glass of lukewarm mixed by the KGB and the SED and paid for in roubles and East German marks.

We would be ill-advised to measure the state of German-American relations by such yardsticks, just as it would be equally wrong to ignore the protest and pretend not to hear it.

It is not enough to console oneself with the thought that 73 per cent of Germans hold the United States in high esteem.

The stability of sympathy with America merits respect, but so does the earnestness of the protest against US policy.

The Americans take too facile a view of the situation. Having been called on for years to deal more resolutely with the world's conflicts, they were finally prepared to take on the role of world shift again.

What happened then? No-one was prepared to be sworn in as a deputy, not even America's model allies in Europe, the Germans.

No-one wanted to have the star-shaped deputy's badge, and many did not even want to see any more of the star-spangled banner.

The American giant, which was just awakening after the traumatic experience of Vietnam, was sick and tired of self-doubt. It felt disappointed and left alone.

There were fresh signs of the feeling American immigrants have always had for the Old World was egoistic, self-centred and cowardly.

"We clench our fist at the Russians and the Europeans merely ask for peace." "We impose sanctions that hurt them." "We buy natural gas at a bargain price." "We defend the Rhine, and they would sooner be red than blue."

At this stage of German-American relations the truth, that 74 per cent of Germans would sooner fight than they Soviet rule, stood not a chance against a look-in.

No-one would have been prepared to believe that the Germans were more convinced than any other nation in Europe of NATO's defence capacity.

Sixty-one per cent of West Germans have confidence in the strength of NATO against only 39 per cent of the French, 49 per cent of the Italians and 67 per cent of the Belgians.

After Mr Reagan was elected president the tenor of relations between America and Europe took an altogether different turn.

America rediscovered its strength. Europe began to be afraid of America put its hand on its patriotic sword while on the other side of the At-

lantic gazes were averted in embarrassment.

The Americans, Europeans murmured, are still a little wet around the ears. The mutual prejudices of krauts and Yanks began to cloud the issues.

The longing for peace felt by a new generation was mistaken for the neutralism of yesteryear. From New York to Los Angeles anti-German and anti-European sentiment reached the conclusion that Europe just could not be relied on.

Many in this country took just as blinkered a view. They misunderstood Mr Reagan's calculated power politics, taking it to be unthinking adventurism. They dismissed the President as a gunhappy cowboy.

In Berlin, of all places, the city where German-American friendship has been strongest since 1945, anti-US sentiment was the most strident.

It took Mr Reagan's visit to the city to reveal that 81 per cent of West Berliners, including 70 per cent of the under-30s, were in favour of his visit.

Eighty-one per cent of Berliners felt the US presence in the city was either indispensable or desirable, a view shared by 76 per cent of the under-30s.

So there can be no question of the city that owes its freedom to the Western Allies either being anti-American or threatening to become anti-American.

Yet many Berliners are chary of Mr Reagan and what they feel he stands for. A staggering 62 per cent of Berliners under 30 and a no less remarkable 46 per cent of Berliners in all age groups feel that President Reagan's policy is a threat to peace.

Forty-eight per cent of West Berliners may feel his policy makes peace safer, but this is a view only 35 per cent under 30 would endorse.

On reflection, these amazing figures do not, perhaps, come as such a surprise after all.

Young people who live and work in West Berlin are exempted from conscription, so the city has emerged as a stronghold of people unwilling to defend their country.

It has a strong alternative scene, and these are people who see no point in the arms build-up and mistrust the idea of



The two faces of demonstrations.

(Photos: Sven Simon)

an arms build-up as a preliminary to disarmament.

They have grown accustomed to the abnormal circumstances of a divided city, which is perhaps not entirely surprising given that they have known nothing but the Wall and division for the past 20 years.

They live with the Wall and take part in protest marches against El Salvador. They are resigned to injustice in their own back yard yet champion the cause of justice in far-off countries.

It is mass escapism and a kind of mass hysteria against a background of red flags.

In effect this protest may well be anti-American; in cause it is not. Unless, that is, we in the West were to forget why young people should be opposed to military rule in Warsaw.

If they should be against military rule in Warsaw, why should they not be opposed to military rule in Ankara or Santiago de Chile?

Even those who feel everything young people feel is nonsense or immature must surely credit them with wanting to have something to believe in in politics.

They don't want to regard the Americans as just rich Russians. They would find it far easier to follow their dream if there were a new Kennedy or a political counterpart of, say, Robert Redford.

They would find it hard to accept a man cast in Mr Reagan's mould even as Bonn Chancellor. Young Germans are not conservative enough to accept such a wealth of experience combined with strict *realpolitik*.

Nato talks on Middle East

Continued from page 1

of aggression, has put the European Community on the spot.

When Argentina occupied the Falklands the slogan was that aggression must not be allowed to pay.

Israel, on the other hand, lays claim, as almost always in military campaigns, to its right to self-defence, including forward defence in a sovereign neighbouring country.

For Europe and for Bonn, whose Foreign Minister, Herr Genscher, was in Israel a few days beforehand, the Israeli invasion of Lebanon is a painful lesson to be learnt.

A peace bid by the EEC is even less promising than it was at Venice in 1980 now that the Reagan administration,

unlike its predecessor, is apparently unwilling to exert really massive pressure on Israel.

The United States is increasingly facing foreign policy problems that overshadow President Reagan's European tour, and such ambiguous vetoes as at the UN undermine US credibility.

Apart from counsels of moderation the Bonn government has nothing to offer, as Foreign Minister Genscher's trip to Israel showed.

So the special session of EEC Foreign Ministers was unlikely to result in anything much.

Nothing could more clearly underline the powerlessness of Europe, especially with a grave risk of war on its doorstep.

Werner Blume
(Nordwest Zeitung, 10 June 1982)

They also find the neo-conservative pomp of Washington today off-putting. Too much state is not to the liking of young Europeans.

Even so, anti-Reaganism in Europe is to be regretted. It is not fair to the President, concentrating too much on appearances and comments and taking too superficial a view of what Mr Reagan does.

While viewing what he does too superficially, it does not try hard enough to understand what his objectives are.

The same is true of anti-German sentiment in America. It is charged with anti-Nazi slogans of old and will, one can but hope, be only a passing phase.

No American would for one moment confuse anti-Reaganism and anti-Americanism in the United States. As loyal allies Western Europeans ought to be measured by the same yardstick as Americans use to assess each other.

The Germans have learnt their post-1945 lesson in democracy so well that at times they may use what they have learnt against those who taught them. This is something the teachers must learn to live with.

This is not to say that we Germans have not made mistakes. The Germans are a people no-one wanted anything to do with after the Second World War, and rightly so.

We should be grateful to have survived and hand down from one generation to the next like a relay baton our gratitude for having been able to make a fresh start.

Instead, sad to say, only the older generation remembers what Care parcels, Marshall aid and the airlift meant for the German people.

Young Germans hardly know that they owe their freedom, including their freedom to demonstrate, to the Western powers.

In reality, as opinion polls are by no means alone in showing, German-American relations are sound enough to survive even more serious mistakes than have lately been made in both Bonn and Washington.

As for Nato ties, nearly all German democrats, no matter where they stand politically, are much better than our Big Brother may believe and domestic strife might lead one to fear.

But we cannot afford to be so arrogant as to pay virtually no attention to our Big Brother. Friendship needs tending. Even giants need a pat on the back now and then.

Peter Boenisch
(14e Zeit, 11 June 1982)

HOME AFFAIRS

Hamburg voters put the writing on the wall for the Social Democrats

The SPD and FDP found it difficult trying to pass off their performance in the Hamburg election for anything less than what it was — a resounding loss.

It was clear from the faces of the party leaders Willy Brandt and Hans-Dietrich Genscher that there was something more than merely the need to paper over the results.

There was more than just the results of a state election at stake.

It was important for them to play down the fact that the election was a loss for the Bonn coalition. But that is public knowledge.

Election leaves constitutional complication

The constitutional position in Hamburg after the surprise CDU election success is as complicated as the city's political situation.

Mayor Klaus von Dohnanyi (SPD) has no intention of resigning, despite the fact that the CDU won 0.5 per cent more votes.

The mayor considers himself backed by the provisions of the Hamburg constitution, which provides for the Senate to remain in office regardless of the outcome of the election.

The point is that the incumbent Senate can only be replaced by voting in a new one, which would require 61 of the 120 Assembly votes.

This type of constructive vote of no confidence is a peculiarity of the Hamburg constitution (which happened to have had its 30th anniversary on the 6 June election day).

Apart from the vote of no confidence, Article 35 of the constitution also provides for a resignation of the Senate without making this compulsory.

This means that Dohnanyi and his senators can feel reasonably safe despite the election defeat and that they can stay in office until it comes to deciding the budget, when a vote of confidence will become inevitable.

The winner of the election, Walther Leisler Kiep (CDU), has no legal recourse against these provisions. He therefore did the only thing possible by asking Dohnanyi to resign, which he termed the only appropriate course of action for the incumbent.

New elections could solve the problem, but could only be decided by a majority of 61.

But the CDU has so far shown little inclination to agree to an election with an uncertain outcome after its 6 June success.

The constitution provides for yet another way out. The Senate could call a vote of confidence. Should the Legislature refuse to express its confidence it can either elect a new Senate or give the incumbent Senate a retroactive vote of confidence or dissolve itself.

If the Legislature opts for none of these possibilities, Article 36 provides that what would then be a caretaker Senate can dissolve the Legislature within a span of two weeks.

Diethart Goos
(Die Welt, 8 June 1982)

Hamburg dashed FDP hopes that it had enough permanent voters to push it over the crucial 5 per cent mark.

It must have to realise that it can lose along with the SPD, that it is not exempt, even when the CDU doesn't get an absolute majority.

The fact is that the Hamburg electorate did not even give the FDP credit for being a brake on excessive socialist zeal.

And that is the very reason for its existence. It was that function which gave it popularity in opinion polls last year.

Last summer, it kicked its bigger partner in the shins during the budget tug-of-war, and this paid off in popularity at the polls.

There are doubts now about internal stability.

Some members, including Genscher and Lambsdorff, have lashed out at the conservatives so much that they should not be surprised if parts of their party leave and go to the CDU.

However, the alternative is even less satisfying. A change of coalition in Bonn, perhaps in instalments and via a similar change in Hesse, might enable the Liberals to regain their clan and confidence with a new partner, but continuing the coalition with the SPD would at best mean stagnation but more likely an endless state of depression.

Those who, like FDP General Secre-



On the face of it the SPD vote of 42.8 per cent might not be too bad, but the fact is that the Social Democrats lost more than eight percentage points in a city that has been their bastion for decades.

For the first time in 29 years, the SPD has had to step down in favour of the CDU as Hamburg's strongest party.

Even Helmut Schmidt's campaign efforts in his home city failed to give the Hamburg SPD the edge. The party slump is deeper and more lasting than even realists in the SPD were prepared to admit.

It all boils down to the fact that even Schmidt no longer carries enough weight as a rescuer. Hamburg could well mark the point where the Chancellor's popularity is no longer enough to save his party.

Projected to a national scale, the party's 42.8 per cent of the vote probably corresponds to the 35 per cent all major

opinion samplings have given the party in the past few months.

Once it is seen that Schmidt's influence is not enough to hold the party together, critics are less likely to show restraint in the interest of unity.

Must the outcome of the Hamburg vote not bolster those SPD members who, spearheaded by Willy Brandt, have always called for an accommodation policy towards the Greens and other far forces?

In any event, the SPD chairman immediately after the Green Alternative List managed to move into the Hamburg Assembly that anybody who can capture 7.7 per cent must also be seen as a potential coalition partner. He thus upgraded the environmentalists.

The poor performance of the Social Democrats will more than ever favour those who have called for a stronger SPD profile.

They blame the defeat on the many concessions to the FDP in Bonn.

The question is: Does Helmut Schmidt still have the strength to relate those who favour a clash with the FDP? It takes no prophet to predict a hot summer for the Bonn coalition.

If Genscher actually wants to change sides, he will have to break now.

The increasingly militant Social Democrats will certainly help him.

The conservatives, on the other hand, can simply wait and see. Though they were denied an absolute victory in Hamburg, Helmut Kohl (CDU) and Franz Josef Strauss (CSU) are now in a much stronger position.

The people of Hesse go to the polls in September, so the autumn could well be harvest time for the CDU/CSU.

Walter Bajohr

(Rheinischer Merkur/Christ und Welt, 11 June 1982)

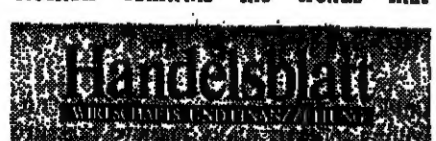
Advance of alternative group marks political watershed

The Hamburg election marks a turning point for the German party system.

The success of the Green Alternative List (GAL) has created a new third power that could make life difficult for the two big parties and put the Liberals in fourth place.

It might even eliminate them as a political entity.

These findings are the result of an analysis by the Bonn Institute for Applied Sociology (Infas). It concludes that the election confirms the trends that



emerged in the last regional elections (May 1981 in Berlin; March 1982 in Lower Saxony and a number of municipal elections over the past months).

The Hamburg Social Democrats' 42.8 per cent is their worst performance since 1949.

They lost some nine per cent compared with the 1978 Hamburg and the 1980 national elections.

In the 1981 Berlin election, the SPD lost four per cent and in the 1982 Lower Saxony voting some six per cent.

The CDU's 43.2 per cent in Hamburg marks its best showing ever there. It was an improvement of close to six per cent over the 1978 Hamburg election

and a whacking 12 per cent against the last national election.

In Berlin, the CDU gained 3.5 per cent and in Lower Saxony two per cent.

The GAL achieved its best state election results with 7.7 per cent; half a per cent more than the Alternative ticket achieved in Berlin and one per cent more than the Greens in Lower Saxony.

The FDP, with 4.8 per cent, stopped. In both the last Hamburg elections, it cornered about 46,000 votes, 2,000 short of the five per cent hurdle.

But this is the first time that it has failed to get into the Assembly twice in a row. In Hanover it got in on the second try.

The 77.2 per cent turnout was one per cent higher than in 1978.

Another remarkable aspect is that some 186,000 voters (close to one-fifth) used the postal vote.

This shows that all competing parties managed to rally whatever sympathy could be cornered. Here, the CDU was the most successful. It gained close to 25,000 additional votes as a result of the relatively high turnout.

Hamburg has always been known for the fickleness of its voters. There is a close parallel between this year and eight years ago.

In 1974, the SPD lost about 10 per cent of its voters though from a slightly stronger position than this year against 1970 while the CDU gained close to eight per cent.

But then there was the coalition partner FDP that acted as a regulator: a system of vote exchange between SPD and FDP emerged in the 1970s; now, in the 1980s, the voters seem to be following different patterns, as an Infas survey of floating voters shows.

This time, the clearest and largest movement was from the SPD to the CDU: 35,000 votes.

The second important movement was the transfer of SPD voters to the GAL: 12,000.

Another major influx of GAL votes, about 14,000, came from first time voters.

The shuttle between FDP and the other parties was limited. Gains from the SPD were offset by losses to other parties.

The disenchantment with the SPD led to losses to both the right and the left.

There were big losses of 10 or more per cent in many of the new city boroughs with low-income housing where young working-class families, low-education white-collar workers and some higher earners traditionally vote SPD.

Many of their votes went to the CDU.

But there were also heavy SPD losses in some inner-city areas marked by old housing and environmental poverty.

Here, the disenchantment resulted in the voters going for GAL.

Surveys show that most of the GAL voters are young.

In this election, 40 out of 100 first time voters opted for the SPD, 30 for the GAL and 20 for the CDU.

dpa

(Handelsblatt, 8 June 1982)

PEOPLE

Quandt death marks the end of an empire

Entrepreneur Herbert Quandt has died, aged 72.

"When I die, there'll be a memorial service — and that'll be all," he once said.

There will certainly be no fuss or bother over the settlement of Quandt's estate. His house was put in order long ago, though not as one would expect of one of Germany's most powerful captains of industry.

He had no intention of preserving his empire beyond his lifetime. Together with his chief executive, Hans von der Goltz, he systematically divided up his fortune.

In this he differed from his great rival and subsequent partner at Daimler-Benz, Friedrich Flick, and from the Munich banker August von Finck, who died two years ago.

While they tried to keep their empires intact by provisions forcing the heirs to retain the handed-down company structures, Quandt and his "major domo", whom he employed in 1971, went the opposite way by dividing up the holdings.

Varta, the pivotal point of the Quandt fortune, was split into its individual components: Varta, Altana and Ceag. Bayerische Motorenwerke, which Quandt saved from collapse in the 1960s, was left intact. In fact, he never interfered with this part of his operation.

The first step towards dividing up the mammoth fortune (the market value of the four corporations alone is estimated at DM2.4bn) was the corporate split in 1973 between Herbert Quandt's own clan and the heirs of his younger brother Harald, who died in a plane crash in 1967.

In this operation, the bulk of the 15 per cent stake in Daimler-Benz went to Harald Quandt's widow and her five daughters.

In late 1974, they sold almost all of their Daimler stock to Kuwait for a tidy DM1bn.

Von der Goltz then went to work dividing up the rest of the corporate conglomerates.

The breaking up of the Varta complex that was completed in 1976 (after a long preparatory period), resulted in the following separate companies: Varta AG for batteries; Altana AG for the drug and dietary firms Byk Gulden and Wipac; the Ceag AG and Anlagen AG for a number of technical sectors.

Von der Goltz said this was a unique event in post-war corporate history.

He is convinced that only those will survive that adjust to changed conditions in time.

The two men said the best survival chances lie with small, flexible companies.

It is hard to say to what extent this splitting up of the empire was Quandt's idea and how much of it stemmed from von der Goltz.

The fact is that at one point Quandt considered a Quandt AG, a holding company for all business activities of the family enterprises that at that time had not yet been split. One of the reasons was to provide a reservoir for the family — at that time still weak and capital starved — Bayerische Motorenwerke (BMW).

But as Eberhard von Kuenheim, whom Quandt had appointed chief executive in 1970, went from strength to strength, it became easy to drop this approach.

Von der Goltz did not need to convince Quandt that such a huge fortune can no longer be handed down as a solid block. Quandt knew it himself and all he needed was perhaps a little nudge in that direction.

Von der Goltz: "There can be no fourth generation Quandt because there are simply too many heirs."

Herbert Quandt himself was the third generation.

The first generation were textile industrialists in Mark Brandenburg. What Herbert and Harald Quandt took over on their father's death in 1954 was already a vast industrial empire including several branches of industry.

Herbert Quandt never regarded himself as a mere keeper and administrator of the fortune. With his nose for new markets and products with a future, he charted the post-war course.

He was particularly interested in the auto industry, and the rehabilitation of BMW was his personal achievement.

The Quandt family's Varta equity (slightly less than 60 per cent) has already been transferred to the tune of one-third each to the three children of his second marriage. Two of them, Sonja, 30, and Sven, 26, are on the supervisory board, which is chaired by von der Goltz.

Von der Goltz does not want to foist himself on the Quandt heirs.

"I told them that each generation of entrepreneurs must find its own adviser. 'I shall enjoy having your confidence,' I said, 'as long as you're prepared to give it to me. But I'll have full understanding should you change your minds.'"

It could become annoying for the young generation to be too closely tied to an adviser they inherited from the father, says von der Goltz, 55.

The Altana equity (probably a healthy majority) and the close to 70 per cent stake in BMW has probably not yet been divided up among the individual members of the family.

In all likelihood, it will remain unknown until the will has been read how this will be divided up between his widow Johann and her two children Susanne, 19, and Stephan, 16.

The head office and main administration of Altana remain in the Günther Quandt House in Bad Homburg. The three "chiefs of staff" there are von der Goltz, Eberhard von Heusinger and Frank Trömel, all of whom are on the board.

The tall-light among the corporate successors of Varta is Ceag (which has not paid any dividends for some time) where the Quandt equity has dropped to below 50 per cent.

But Chairman Bernd Kalthegener is an old Quandt man; and Frank Trömel is at the head of the supervisory board.

In terms of personnel, the three corporations are still closely linked with the Quandt head office.

Comments von der Goltz: "We must after all look after our stockholdings."

BMW is now also completely divorced from anything that might smack of the "Quandt Group", says von der Goltz. Yet he himself is BMW's chairman of the supervisory board, of which Herbert Quandt was a member until his death.

Industriewerke Karlsruhe-Augsburg AG (IWKA) is no longer a Quandt domain. Its supervisory board chairman, Eberhard von Kuenheim, estimates the Quandt stake at only 14 to 18 per cent.

Quandt's legacy thus has a structure entirely different from that of the conglomerate of companies that his father left to him and Harald more than 27 years ago.

It remains to be seen whether Quandt's unusual arrangement for his estate is superior to handling over an intact concern.

Hermann Bösenacker

(Die Zeit, 11 June 1981)

Neckermann: mail order, travel and show jumping

Josef Neckermann, one of the greats of the *Wirtschaftswunder* era, turned 70 on 5 June. He was born in Würzburg on 5 June 1912, the son of a coal wholesaler.

He joined a textile company in 1935, but his real rise to power did not come until the early 1950s when he began to realise his ideas of mass production and mass sales at cut-rate prices.

The first catalogue of his mail order business contained only 147 items — all of them textiles.

Twenty years later, the price slasher with his advertising slogan "Neckermann Makes it Possible" was Germany's second largest mail order house with many outlets, including 30 department stores and a staff of 20,000.

In 1963, he ventured into the travel business, developing his package tour company Neckermann und Reisen (NUR) which, within a few years, became Germany's second largest tour operator.

His prefab housing company, Neckermann Eigenheim GmbH, and his insurance subsidiary Neckura rounded off his empire.

Employers' chief — quiet nature belies toughness

Strong on issues, mild in manner," would seem an apt description of Otto Esser, president of the Federation of German Employers (BDA), who turned 65 on 1 June.

He is quietly spoken and diplomatic. But this can be deceptive. Like his predecessor, the assassinated Hanns Martin Schleyer, Esser is tough when it comes to specific issues.

Though he is always prepared to come to some arrangement, he never compromises on convictions. And one of his firm convictions is that only a free market economy provides both labour and employers with the maximum of freedom and the maximum of social benefits.

He is also convinced that the citizen should not be under the state's tutelage and that a company cannot be run through voting and co-determination.

It was typical of his approach to have attended the opening session of the Trade Union Federation (DGB) Congress in Berlin in May.

Even though he is president of the BDA, he is convinced that trade unionists are not enemies but partners of management and that they play an important economic and social role.

It is also indicative that the DGB understood this gesture. Ex-Chairman Heinz Oskar Vetter said in his opening speech: "I am particularly gratified by the fact that the BDA is represented at this conference through its president, Otto Esser. The problems of our society cannot be solved by one hand alone. This takes several hands, and our hand is outstretched for anybody who wants to take it." This was greeted with applause.

What is so important in this strained atmosphere is the fact that Esser does not fit the enemy image of the agitators on the other side.

Some of them later complained about Vetter's friendly words and the flattering picture he drew of his opponent. One of them said that he had nothing against outstretched hands as such, but anybody who shook hands with Esser would be well advised to count his fingers afterwards.

This was a poor joke that told more about the man who made it than about Esser.

Naturally, the DGB left wing would prefer a BDA president who resembles the cartoons in the union press.

But Esser's career does not fit the clichés about "capitalists".

Born in Düren (Rhine-land), Esser served a business apprenticeship in his father's firm. He later joined the firm Enka Glanzstoff in Wuppertal, where he eventually became a senior executive. In 1972, he became a partner and executive in the pharmaceuticals company E. Merk in Darmstadt.

After a long time at the head of the Chemicals Industry Employers Association, he became a presidium member of the BDA in 1965 and, as vice-president of the Association, Schleyer's assistant from 1965 onward. In 1977, he succeeded Schleyer in his post.

Esser, who has two children, is an avid reader of Thomas Mann, Ernst Jünger and Shakespeare — along with Bert Brecht, for the sake of balance.

Hans Mundorf

(Handelsblatt, 28 May 1982)

dpa/vwd
(General-Anzeiger Bonn, 5 June 1982)

FINANCE

Balancing a taxation, subsidy equation

Businessmen are prepared to accept a cut in state subsidies if they pay less tax.

A Bundestag budget committee meeting was told this during discussion to sound out to what extent subsidy reductions could help government finances.

The most controversial issue was whether subsidies and tax relief should be readjusted by a flat percentage rate or whether this should be done selectively and on the principle of merit.

Chairman Lothar Haase (CDU) said that only an across-the-board reduction was possible in the short term.

Bonn Finance Minister Manfred Lahnstein, on the other hand, warned Haase in a letter against subsidies cutbacks by the "lawnmower method".

An across-the-board reduction of about five per cent would not be practicable for legal and technical reasons, he said.

In many cases, there were also economic reasons against subsidy reductions, the letter said.

Reservations about such reductions were also voiced by trade unionists — especially for the steel industry and shipbuilding.

As they see it, such an operation would have to be preceded by coordination with other countries whose highly subsidised companies are competing with German firms.

The work group of independent entrepreneurs called on the committee to show courage and fortitude and to use "axe and saw" to thin out the subsidies jungle. There must be no taboos, not even in coalmining, the steel industry, shipbuilding and agriculture.

Where state subsidies are essential, they should be limited. Any type of rehabilitation subsidy should be stopped. The argument of the work group is that if lenders are no longer prepared to bear the risk the taxpayer should not be asked to jump into the breach.

More should be done to help workers find new jobs rather than try to keep ailing companies going with more and more cash.

The latest government decision to grant investment subsidies is a bad one, the work group said.

The National Federation of Industry, on the other hand, called the subsidies a necessary evil. Spokesmen said that no modern industrial nation could manage without them because research and development often cost too much.

Many subsidies are simply the result of excessive taxation. The Federation said that other state benefits for individual groups of the public should also be reviewed. Their volume of DM282bn last year was a great deal larger than government subsidies for business.

Experts of the Bonn government, the Bundestag, business associations and the trade unions are to draft proposals for cutbacks in the subsidies sector.

The trade unions demanded that subsidies be tied to job-creation and that this be made subject to controls.

Hans-Henrich Zencke (Rheinische Post, 4 June 1982)

The Institute for the German Economy, Cologne, is considering the sort of economic policy needed for the 1980s.

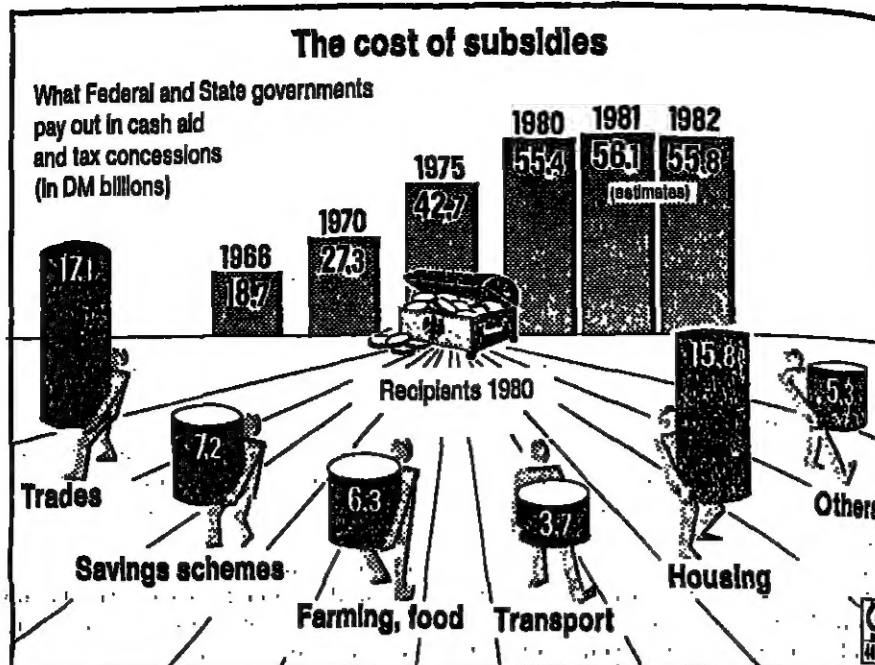
Views differ widely. There was criticism of the supply-side policy of the Council of Economic Experts (known as the Five Wise Men).

But this does not mean that there was a call for a return to the demand-side approach.

Although we appear to be approaching an upswing, both domestic and global economic growth in the next few years is unlikely to reach the degree needed to achieve a high rate of employment, unless we improve growth conditions at home," said Professor Olf Sievert, chairman of the council.

"This cannot be done by a demand-side policy. Our main task remains the consolidation of public-sector budget by curbing spending."

As to the desirable improvement of the framework conditions for stepped-



Strategy of the feasible

The billions that were supposed to have been saved in next year's budget to demonstrate the government's thrift were quietly dropped even before the start of the coalition talks this month.

This was a tactical move directed not only at the increasingly critical public but also at opposition in the Bundestag.

This is roughly how many people are bound to have understood Finance Minister Manfred Lahnstein's move to reduce the problems of meeting the deficit to manageable proportions.

Lahnstein's strategy of the feasible is marked by a swift abandoning of untenable positions.

By saying that the net new borrowing should be "kept in the region of DM30bn," he suddenly provided himself with a fiscal leeway to the tune of about DM5bn as against the medium-term fiscal plan, which provides for new borrowing in 1983 of just under DM26bn.

And the impression Lahnstein gives in no way lacks credibility. Though experts now doubt whether the enormous additional money requirements by the Federal Labour Office in Nuremberg are really due to the state of the economy, the downward revised tax revenue estimates certainly are due to the slump, as is some spending on unemployment and short-shift work.

Seen in the light of revised targets for new borrowing and the expectation of

further Bundesbank profits being channelled to the Bonn budget, it should be possible to come up with a budget by scraping together DM5bn to DM6bn on the revenue and spending sides.

Naturally, this sort of procedure might be stomach-turning to economists. But the fiscal mosaic stones that would provide the needed volume were already named a couple of weeks ago.

The biggest single item (DM2bn to DM3bn) is to be provided by cutbacks in the social security pensions contributions for the jobless. Should this endanger the pensions fund (in the short term) while providing relief for the labour Office, this could be offset by considering an even earlier deadline for pensioners' contribution to the health insurance.

Cutbacks in the tax relief for civil servants (estimated fiscal value: DM1bn), in the amounts deductible for business entertainment (DM500m) and the elimination of further "exotic" tax relief items (DM1bn) would not only almost meet the amount needed to cover the deficit but would also be interpreted as an effort to achieve tax justice without killing investments.

This is, of course, not a completely cohesive fiscal policy — but then, considering the state of the coalition, this is hardly the prime objective.

Hans D. Barbier (Süddeutsche Zeitung, 8 June 1982)

Economic ideas for the next decade

up production, Professor Sievert said that this had to include tax relief because taxation now hampers investment.

This would also remove some of the burdens from wage policy's makers who would otherwise have to bear the brunt of reducing costs entirely on their own through low wages.

Professor Sievert also stressed that tax relief to boost investment without tax increases in other sectors that are less damaging to the economy would be unfeasible.

Naturally, he said, this would presuppose a certain understanding by the public and the unions.

The only other and cheaper way

would be to make the labour force participate in both profits and risks of their employers. Professor Sievert deplored that "next to nothing is happening in this sector."

Professor Jürgen Kromphardt of Berlin, on the other hand, stressed that "investment promotion as a means of creating new jobs cannot be restricted to the supply side while the demand side is left to its own devices. The supply side cannot create the profit prospects that are necessary to stimulate investment."

Expansion investments will especially be considered profitable only if the businessman can expect to make the new facilities work to capacity.

A major step in improving the profit outlook of the business community would be to make public sector investments steady and predictable. Considering the existing problems, a wide range of steps can be taken:

Hans-J. Mahrke (Die Welt, 8 June 1982)

BUSINESS

Middle East interests in German firms: fears of sellouts not realised

According to *Frankfurter Börsen-Artikel* (a stock market newsletter), Kuwait holds a 25.1 per cent stake in the pharmaceuticals giant Hoechst.

But company spokesmen are not so sure. "We can neither confirm nor deny the rumour," says Hoechst executive Hans-Bernd Heler.

The analysis of shareholders' this going shows that about 30 per cent of Hoechst is held abroad.

Though this is 11 per cent more than two years ago, the company says it is "not unlikely" that Kuwait has commissioned banks secretly to buy up such a quantity.

If Kuwait has in fact gained a foothold in the company, it would certainly not be on that scale.

Of course, it would not be the first time that Kuwait has bought stakes in German industry. And it has always made a point of buying only the bluest of blue chips.

In 1980 and 1981, the government of Kuwait and the Kuwait Petroleum Company paid about DM300m for a 20 per cent stake in the Frankfurt-based Metallgesellschaft. The pearl among the subsidiaries of this raw materials firm is *Large Anlagenbau*, a company renowned for its technical know-how.

Two years ago, steelmaker Willy Korfmann the business community said the news that Kuwait had held a 10 per cent stake in his group of companies since 1975. It is unknown how much they paid for this equity. But it is known, that they made a sound deal: Willy Korf's Badische Stahlwerke is Germany's only steel mill to have closed last year with a profit.

But Kuwait caused a stir as far back as 1974. While everybody was condemning the sheikhs for their brutal policies for crude, Kuwait, which had by then joined the ranks of oil-rich states, reached out for the very symbol of the German economic miracle and paid an estimated DM1bn to the Oetzi family for a 14 per cent slice of Daimler-Benz.

The Dresdner Bank, which acted as secret go-between in the deal, was headed as a traitor to the nation — a claim it had to live with for a while.

Scattered by what looked like an impending sell-out of the nation's industry to new rich oil nations in the Middle East, bankers sharpened their pencils and did a bit of figuring.

The calculation showed that Germany's 484 corporations listed with the stock exchange were worth DM120bn (stock quotations).

The Kuwaitis would have needed nearly one year's surplus in petrodollars to buy all these corporations.

Kalping call against the invasion from the Middle East came primarily from Deutsche Bank, which is represented on the supervisory boards of such ship companies as Mannesmann, Thyssen and BASF. The remedy the Deutsche Bank board members suggested was a restriction of voting rights.

BASF chief executive Matthias Seider did a fair bit of humming and hawing at the beginning of 1975 when it came to explaining why his company had seen fit to restrict voting rights to a



nominal DM50m, about three per cent of the capital.

He later explained that the fact that the move coincided with the accumulation of large blocks of shares in the hands of some individuals had given rise to speculation that this proposal was a sort of defensive measure against certain countries.

He said: "This is true to a very limited extent. What mattered to us was, in fact, to reduce external influence in the management of company affairs that don't serve our own long-term interests but the political intentions of others."

At the height of the hysteria over Arab take-overs in late 1975 and early 1976, Deutsche Bank even went so far as to buy a further 29 per cent block of Daimler stock just as the Shah of Iran was making his bid for it.

The bank paid DM2bn to the Friedrich Flick AG for this block and placed the shares on the market for purchase by individual German investors.

Even so, Iran did not have to forgo buying into German industry.

Having already bought 25.04 per cent of the Fried. Krupp Hüttenwerke AG in Bochum (for DM270m) in 1974, two years later the Iranians made a successful bid for a 25.01 per cent stake in Fried. Krupp GmbH (the holding company) for which they paid DM875m.

In between, Iran forked out DM178.3m for a stake in Deutsche

The North Sea oil fields have taken over from Saudi Arabia as Germany's biggest supplier of crude, says the chairman of Esso, Wolfgang Oehme.

North Sea oil supplied 29 per cent in the first four months of this year.

"The redistribution of wealth through oil in favour of the Opec countries has come to a standstill," says Oehme. Only once the world economy picks up again can Opec expect to increase its sales.

Only ten years ago Opec met 60 per cent of the world's oil requirements. Now it is 40 per cent.

Last year alone, Opec sales fell by 215 million tons and earnings by US\$30bn.

"The oil industry's enormous investments are bearing fruit now," says Oehme.

Some US\$120bn have been invested in the North Sea fields alone; and the next few years will see further investments of US\$120bn in the British sector of the North Sea.

The intensive opening up of new oil wells, thriftiness in the use of oil and the economic slump have made the oil imports of Western Europe, North America and the Far East drop to the level of 1972.

At the same time, the oil output of these groups of countries rose 12 per cent above that year's level. As a result, oil imports diminished by 100 million tons in the last decade.

Western Europe has played a major part in this development. Its oil con-

Babcock & Wilcox AG in Oberhausen. This gave the Shah control over one-third of that company's voting rights, because part of the capital consisted of non-voting debentures.

This marked the end of the Arab shopping spree; and it is not known whether they have since then bought any major portions of German industry.

The contention that the Arab stockholders have also taken over the supervisory boards of German companies is simply untrue.

No Kuwaiti has so far been seen in the boardroom of Daimler-Benz. And as to Metallgesellschaft: it is true that Abdulmalik N. Al Gharabally of the Kuwait Finance Ministry attends the board meetings, but only as an attentive and rather silent guest.

Even the Krupp board has not acquired any oriental atmosphere although the meetings are now no longer attended by the distinguished representatives of the Shah but by those of the Ayatollah. They are "very punctual and earnest in pursuing Iran's interests," says Krupp spokesman Rainer Lommatsch.

Iran's representatives, Central Bank President Mohsen Nourbakhsh and Bonn Ambassador Mehdi Navab, have so far not put forward any "exotic motions".

Unfortunately, the hoped for profitable business deals with the Arabs as a result of their stake in German companies have failed to materialise.

Krupp has Iranian orders worth DM220m in hand, which are being handled correctly by the Iranians despite chaotic conditions and that coun-

North Sea now the main oil supplier

sumption was cut by 90 million tons within ten years.

In Germany alone, consumption dropped 20 per cent to 110 million tons a year during the past eight years.

Oehme: "Our private consumers have cut their oil bill by 30 per cent without sacrificing creature comforts."

Such a large reduction in oil requirements, says Oehme, must lead to a restructuring.

Refineries, tankers and sales organisations are no longer working to capacity. "This makes shut-downs unavoidable; and given today's earning potential on Germany's oil market, it is quite possible that individual companies will have to throw in the towel."

"Fears that our oil supply could be endangered if the number of suppliers falls are unwarranted."

The world has used 65 billion tons of crude in the past 125 years. Assuming annual requirements of 3 billion tons until the turn of the century, another 50 billion tons would be needed by the year 2000.

There are known reserves of 90 billion tons that can be exploited with conventional methods.

try's war with Iraq. But this gives Krupp no edge over other similar companies without Iranian participation.

Daimler exports no more than usual to Kuwait because its relations with that country were excellent even before the Kuwaitis bought into it.

The sales of Deutsche Babcock to the Middle East countries have remained unchanged, says Babcock spokesman Werner Stork. The fact that Iranian Central Bank President Nourbakhsh is on the board has had no effect on sales.

Metallgesellschaft spokesman Hans Schreiber holds that Kuwait's involvement in his company has "provided us with interesting prospects of gaining access to the Arab market. But no concrete deals have resulted."

How much the German bankers' campaign against buyers from the Middle East resembles Don Quixote's attacks on windmills is borne out by the fact that the oil sheikhs have bought major equities in exactly six German companies in the eight years since they started raking in the petrodollars.

Although the oil dollars still keep flooding in — DM600bn went to the 13 Opec countries in 1981 alone — the Arab countries are still insignificant as foreign investors in German industry.

Kuwait's total investments in German industry amounted to only DM208m last year, putting that country in place 15 on the list of foreign investors. Iran's DM1.4bn that year made it number 8 on the list. Compared with the DM70bn total of foreign investments in this country, these are very small amounts.

There is nothing in current developments either that would permit the conclusion that the sheikhs or other foreign investors are making a grab for Germany's industry.

Last year's net foreign investments in this country amounted to DM4bn while Germans invested twice that figure abroad.

Wolfgang Gehrmann (Die Zeit, 4 June 1982)

Another 200 billion tons (also exploitable by conventional means) are thought to exist because only one-third of the areas likely to have oil have been explored.

Added to these 290 billion tons, there is a considerably larger quantity of oil to be extracted from shale — though at higher cost.

As a result, Oehme sees no reason for getting away from oil "only because some particularly pessimistic people think it could dry up."

However, oil production is becoming increasingly more expensive. Western investments in this field already stand at US\$80bn a year. By the end of the decade they will reach an annual US\$300bn — primarily to meet the growing energy needs of the Third World.

Even if the share of oil in the world's energy consumption is diminishing, its absolute consumption will continue to rise.

Oehme: "Though it will be costly, a gas share of about 20 per cent will be maintained. But any attempt to raise the share of coal from 27 to 30 per cent would mean an increase of the world's coal production from 2 to 4.5 billion tons. This means that oil will of necessity remain a decisive factor in meeting world energy requirements. Even so, it will be necessary to raise nuclear energy's share — despite opposition."

Hans Baumann (Die Welt, 26 May 1982)